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SUBJECT: DSS REELECTS KOSTUNICA PARTY PRESIDENT (AND OTHER
NON-SURPRISES)

Summary

1. (U) Members of the Democratic Party of Serbia reelected Prime Minister Vojislav Kostunica as party president and made slight changes to their platform at the 9th Party Congress, on October 13-14, in Belgrade. In a speech to party members, Kostunica reiterated the party's opposition to both Kosovo independence and Serbia's NATO membership. He said that a decision on presidential and local elections should wait until after December 10, leaving likely and probable elections well into 2008. Kostunica made clear that he intends to lead the party he helped to found for four more years. End Summary.

Kostunica, Jovic, Popovic to Lead Party

2. (U) The Democratic Party of Serbia held its 9th Party Congress in Belgrade on October 14, 2007. All 600 Congress delegates reelected Vojislav Kostunica as president of the party, appointed six vice-presidents, and elected 170 members to the party's Main Board. Kostunica has led the party since it was formed in 1992 and ran unopposed. Kostunica recommended, and the delegates appointed, six vice-presidents, including incumbents Interior Minister Dragan Jovic and Energy Minister Aleksandar Popovic, as well as three DSS members of parliament, vice-president of the culture committee Svetlana Stojanovic, parliamentary whip Milos Aligrudic, head of the DSS youth wing Borko Ilic, and Coordinating Center for Kosovo (CCK) director, Vuko Antonijevic, a Serb from Kosovo.

3. (U) The party adopted only slight changes to its organization. Party executives will serve four years instead of two and there are now seven vice-presidents, up from five. Kostunica nominated only the six VPs listed above, leaving one vacancy. The party did not renew the mandates of incumbent vice presidents Vladeta Jankovic, Kostunica's senior advisor, and Sandra Raskovic-Ivic, former CCK director, who are in line for ambassadorships to the Vatican and Rome, respectively.

Focus on Economy, Kosovo

4. (U) Kostunica laid out the party's principal goals in his speech to the party members. Citing GOS economic accomplishments (e.g. record GDP growth, increased foreign direct investment, and low inflation), Kostunica underscored the importance of economic development in the DSS program. The PM described participation in Serbia's economic development as "true patriotism" and a mechanism for democratic transformation of society.

"Strategic" Energy Ties with Moscow

6. (U) A key to Serbia's economic well-being, he said, was the stability of Serbia's energy sector. Highlighting Serbia's interest in "strategic cooperation" with Russia and Gazprom, Kostunica announced that the GOS had signed a Memorandum of Understanding with

Gazprom and predicted that this cooperation would make Serbia the region's energy leader.

EU, Sovereignty, PfP - Yes, NATO - No

15. (U) Kostunica identified European integration and combating organized crime and corruption as key goals of the DSS and the Government of Serbia. Kostunica said that Serbia would preserve its sovereignty, integrity, and dignity and that Kosovo would never be independent -- since Serbia would never recognize it. While the DSS supported Serbia's accession to Partnership for Peace (PfP), he said, joining NATO was not in Serbia's interests. The DSS position, Kostunica explained, was that Serbia's pacifism and commitment to regional stability necessitate preserving "military and political neutrality." In a meeting with Poloff on October 16, DSS Vice President and party whip, Milos Aligrudic, said that the party position had not changed; rather, the DSS had made clear that it "could not advocate joining an organization that [had] illegally bombed Serbia." Aligrudic said that the DSS would accept the will of the majority, should Serbians vote, by referendum, to join NATO.

Elections after Kosovo Decision

17. (U) Kostunica explained that, from the DSS perspective, the timing of presidential and local elections were contingent on developments in Kosovo. Alluding to the possibility that Kosovo might unilaterally declare independence after December 10, Kostunica said that coalition partners would decide in December whether to announce elections by yearend, in accordance with the constitutional law, or to amend the law and postpone elections. Aligrudic expanded on Kostunica's remarks, October 16, asserting that all the major parties, including the DS and SRS, had agreed to wait until after

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December 10 to call elections. Aligrudic, assessed that it would be no problem for parliament to amend the election law to allow for elections to be called "at the end of January, or February, or March...." The threat of Kosovo unilaterally declaring independence and the possibility that countries would recognize it recognition posed a "challenge" that Serbia would have to address before scheduling elections. As to Serbia's reaction to countries that recognized Kosovo independence, Aligrudic said that relations "could not stay the same," but Serbia would not completely sever ties. He estimated that the GOS would need about one month to react to a unilateral declaration of independence "by all legal means," including annulment by an act of the Serbian parliament.

COMMENT

18. (U) Little new emerged on the DSS agenda or leadership at the party congress. Kostunica's discussion of Serbia's economic health, something other than (or, more realistically, in addition to) Kosovo, was a step in the right direction. The PM did not, however, suggest much in the way of next steps. Kostunica and Aligrudic articulated the party's objectives; keeping Serbia out of NATO, securing an energy partnership with Moscow and, especially, coordinating Serbia's response to a Kosovo UDI. End Comment.

MUNTER